§ 962. Limitations. 1. Municipal corporations may accept such payments from a corporation extending loans for such purpose, if the loan corporation has a paid-up capital of at least one million dollars and charges not more than four per centum interest on unpaid balances on moneys loaned, nor more than two per centum of the amount of the loan as a service charge in connection therewith; provided, however, that in the event of a default in the payment of such a loan, the loan corporation may charge six per centum interest per annum on all sums in default. The loan corporation shall, within three days after receiving the same, deposit the conditional tax receipt with a banking institution, trust company, state bank, national bank, or federal reserve bank of the district in which the municipal corporation is located.

2. A corporation or banking institution qualifying under the provisions of section ten hundred fifty-four of this chapter and possessing all of the qualifications required under this section may also engage in the business of lending money to taxpayers and accepting conditional tax receipts as provided in this title.